TELPAC Industries, Inc.

TELPAC INDUSTRIES, INC

Quarterly Disclosure Statement
September 30, 2016

1) Name of the issuer and its predecessors (if any)

Telpac Industries, Inc.

2) Address of the issuer's principal executive offices

Company Headquarters
Address 1: 9025 Wilshire Blvd. 5th Floor
Address 2: Beverly Hills, CA 90211
Phone: (310) 282-8282
Email: d.teuma@att.net
Website(s): www.telpacindustriesinc.com

IR Contact
David Teuma
Address 1: 9025 Wilshire Blvd. 5th Floor
Address 2: Beverly Hills, CA 90211
Phone: (310) 282-8282
Email: d.teuma@att.net
Website(s): www.telpacindustriesinc.com

3) Security Information

Trading Symbol: TLPC
Exact title and class of securities outstanding: Common Stock
CUSIP: 879948206
Par or Stated Value: .001
Total shares authorized: 100,000,000 as of: 9/30/2016
Total shares outstanding: 29,273,376 as of: 9/30/2016

Preferred share information:
Exact title and class of securities outstanding: Series B Preferred Stock
CUSIP: 879948206
Par or Stated Value: .001
Total shares authorized: 10,000,000 as of: 9/30/2016
Total shares outstanding: 0 as of: 9/30/2016

Transfer Agent
Name: Pacific Stock Transfer Company
Address 1: 4045 South Spencer Street, Suite 403
Address 2: Las Vegas, NV 89119
Phone: (702) 361-3033
Is the Transfer Agent registered under the Exchange Act?* Yes: ☒ No: ☐

List any restrictions on the transfer of security:

None

Describe any trading suspension orders issued by the SEC in the past 12 months.

None

Within the past year please list any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization:

None

4) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities.

For the quarter ended 9/30/2016, there were no changes in total shares outstanding.

For the year ended December 31, 2011 the Company issued 7,870,000 common shares for services rendered to the Company. The Company recorded an expense of $94,440 for the issuance of shares for services with a corresponding contribution of paid-in-capital. The shares were valued at $.012 fair market value.

For the year ended December 31, 2012 the Company issued 800,000 common shares as a partial payment to purchase software. The Company recorded an expense of $800 for the issuance of shares for services with a corresponding contribution of paid-in-capital. The shares were valued at $.01 fair market value.

For the year ended 12/31/2013, there were no changes in total shares outstanding.

For the year ended 12/31/2014, there were no changes in total shares outstanding.

For the year ended 12/31/2015, there were no changes in total shares outstanding.

BALANCE SHEET

Period Ending	Jun 30, 2016	Sept 30, 2016
Assets		
Cash And Cash Equivalents	**5000**	**5000**
Optimum Pay Software Platform	**980000**	**980000**
Accounts Receivable	**245250**	**245250**
Allowance for Doubtful Accounts	**81750**	**81750**
TOTAL ASSETS	**1312000**	**1312000**
Liabilities		
Accounts Payable / Accrued Liabilities	**760000**	**760000**
Loan Payable	**5000**	**5000**
Interest Payable	**13000**	**13000**
TOTAL LIABILITIES	**798000**	**798000**
Stockholders Equity		
Preferred Stock	**0**	**0**
Common Stock	**29273**	**29273**
Additional Paid in Capital	**305946**	**305946**
Accumulated Deficit	**198781**	**198781**
TOTAL STOCKHOLDER DEFICIT	**534000**	**534000**
TOTAL LIABILITIES AND STOCKHOLDERS DEFICIT	**1312000**	**1312000**

INCOME STATEMENT

Period Ending	Jun 30, 2016	Sept 30, 2016
Revenues	**0**	**0**
Cost of Services	**0**	**0**
Gross Margin	**0**	**0**
Operating Expenses:		
General and Administrative	**0**	**0**
Stock for Services:		
Operating Expenses	**0**	**0**
Operating Gain (Loss)	**0**	**0**
Income Tax		
Net Gain (Loss)	**0**	**0**
Earnings Per Common Share	**0**	**0**
Weighted Average Shares Outstanding	**29,273,376**	**29,273,376**

STATEMENT OF CASH FLOWS

Period	3 Months Ended Jun 30, 2016	3 Months Ended Sept 30, 2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Gain (Loss) for the Period	**0**	**0**
Adjustments to reconcile net loss to net cash used by operating activities:		
Stock Issued	**0**	**0**
Changes in Operating Assets and Liabilities:		
Increase in Accounts Receivable	**0**	**0**
Net Cash (Used) in Operating Activities	**0**	**0**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Property and Equipment	**0**	**0**
Net Cash Used by Investing Activities	**0**	**0**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Common Stock issued for cash	**0**	**0**
Net Cash Provided by Financing Activities	**0**	**0**
Net Increase (Decrease) in Cash	**0**	**0**
Cash at Beginning of Period	**5000**	**5000**
Cash at End of Period	**5000**	**5000**
SUPPLEMENTAL DISCLOSURE		
Cash paid during year for:		
Interest	**0**	**0**
Franchise and Income Taxes	**0**	**0**

TELPAC INDUSTRIES, INC.

STATEMENTS OF STOCKHOLDERS' DEFICIT

(Unaudited)

	Common Stock Shares	Common Stock Amount	Additional Paid in Capital	Accumulated Deficit	Total Stockholders Deficit
Balance, December 31, 2009	20,587,376	20,587	$ -	(20,587)	$ -
Stock issued for services	16,000	16	176	-	192
Net income for the year	-	-	-	149,808	149,808
Balance, December 31, 2010	20,603,376	20,603	176	129,221	150,000
Stock issued for services	7,870,000	7,870	86,570	-	94,440
Net Income for the year	-	-	-	55,560	55,560
Balance, December 31, 2011	28,473,376	28,473	86,746	184,781	300,000
Stock issued for services	800,000	800		800	800
Net income for the year	-	-	-	(201,000)	(201,000)
Balance, December 31, 2012	29,273,376	$ 29,273		$ (16,219)	99,800
Stock issued for services	-				
Net income for year			20000	(20000)	(20000)
Balance, Dec 31, 2013	29,273,376	29,273		(36,219)	79,800

Stock issued for services	-				
Net income for quarter					
Balance, June 30, 2014	29,273,376	29,273		(36,219)	79,800
	-				
Stock issued for services					
Net income for quarter					
Balance, Sept 30, 2014	29,273,376	29,273		(36,219)	79,800
Stock issued for services	-				
Net income for quarter					
Balance, Dec 31, 2014	29,273,376	29,273		(36,219)	79,800
Stock issued for services	-				
Net income for quarter					
Balance, Mar 31, 2015	29,273,376	29,273		(36,219)	79,800
Stock issued for services	-				
Net income for quarter					
Balance, Jun 30, 2015	29,273,376	29,273		(36,219)	79,800
Stock issued for services	-				
Net income for quarter					
Balance, Sep 30, 2015	29,273,376	29,273		(36,219)	79,800
Stock issued for services	-				
Net income for quarter					
Balance, Dec 31, 2015	29,273,376	29,273		(36,219)	79,800

Stock issued for services	-				
Net income for quarter					
Balance, Mar 31, 2016	29,273,376	29,273		(36,219)	79,800
Stock issued for services	-				
Net income for quarter					
Balance, Jun 30, 2016	29,273,376	29,273		(36,219)	79,800
Stock issued for services	-				
Net income for quarter					
Balance, Sept 30, 2016	29,273,376	29,273		(36,219)	79,800

TELPAC INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2016

Note 1 - Company Organization and Background

Telpac Industries, Inc., formerly Superior Lube, Inc. (10/20/95-7/23/97) and Cornerstone Investment Marketing Corp. (10/13/92-10/20/95), a Nevada corporation, hereinafter referred to as the "Company", was incorporated in the State of Nevada on October 13, 1992. The company's operations consists of an e-commerce solution developer and provider in the areas of social networks, online multiplayer video gaming, and provides payment solutions in online applications, mobile devices, stored value solutions in the Business to Business, Business to Consumer, and Person to Person markets.

Significant Accounting Policies

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates.

Cash and Cash Equivalents: For financial statement presentation purposes, the Company considers those short-term, highly liquid investments with original maturities of three months or less to be cash or cash equivalents.

Property and Equipment: New property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 5 years. Expenditures for renewals and betterments are capitalized. Expenditures for minor items, repairs and maintenance are charged to operations as incurred. Gain or loss upon sale or retirement due to obsolescence is reflected in the operating results in the period the event takes place.

Valuation of Long-Lived Assets: We review the recoverability of our long-lived assets including equipment, goodwill and other intangible assets, when events or changes in circumstances occur that indicate that the carrying value of the asset may not be recoverable. The assessment of possible impairment is based on our ability to recover the carrying value of the asset from the expected future pre-tax cash flows (undiscounted and without interest charges) of the related operations. If these cash flows are less than the carrying value of such asset, an impairment loss is recognized for the difference between estimated fair value and carrying value. Our primary measure of fair value is based on discounted cash flows. The measurement of impairment requires management to make estimates of these cash flows related to long-lived assets, as well as other fair value determinations.

Stock Based Compensation: Stock-based awards to employees and non-employees are accounted for using the fair value method in accordance with ASC 718, *Share-Based Payments*. Our primary type of share-based compensation consists of stock options. ASC 718 requires that companies measure and recognize compensation expense at an amount equal to the fair value of share-based payments granted under compensation arrangements. We calculate the fair value of options using a Black-Scholes option pricing model. We do not currently have any outstanding options subject to future vesting.

ASC 718 also requires the benefits of tax deductions in excess of recognized compensation expense to be reported in the Statement of Cash Flows as a financing cash inflow rather than an operating cash inflow. In addition, ASC 718 required a modification to the Company's calculation of the dilutive effect of stock option awards on earnings per share.

Revenue Recognition: The Company plans to generate revenue from the future sales of innovative products. Revenue will be recognized when the products are used.

Accounting For Obligations And Instruments Potentially To Be Settled In The Company's Own Stock: ***We account for obligations and instruments potentially to be settled in the Company's stock in accordance with FASB ASC 815, Accounting for Derivative Financial Instruments. This issue addresses the initial balance sheet classification and measurement of contracts that are indexed to, and potentially settled in, the Company's own stock.***

Subsequent Events: Subsequent events have been evaluated up to and including the date at which the financial statements were available-September of 2012.

Fair Value of Financial Instruments: FASB ASC 825, "*Financial Instruments*," requires entities to disclose the fair value of financial instruments, both assets and liabilities recognized and not recognized on the balance sheet, for which it is practicable to estimate fair value. FASB ASC 825 defines fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties. At December 31, 2011 and 2010, the carrying value of certain financial instruments (cash and cash equivalents, accounts payable and accrued expenses.) approximates fair value due to the short-term nature of the instruments or interest rates, which are comparable with current rates

Fair Value Measurements: FASB ASC 820 defines fair value and establishes a framework for measuring fair value and establishes a fair value hierarchy which prioritizes the inputs to the inputs to the valuation techniques. Fair value is the price that would be received to sell an asset or amount paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

Fair Value Hierarchy: FASB ASC 820 specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (observable inputs), or reflect the Company's own assumptions of market participant valuation (unobservable inputs). In accordance with FASB ASC 820, these two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices in active markets that are unadjusted and accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 – Quoted prices for identical assets and liabilities in markets that are not active, quoted prices for similar assets and liabilities in active markets or financial instruments for which significant inputs are observable, either directly or indirectly.

- Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

FASB ASC 820 requires the use of observable market data if such data is available without undue cost and effort.

Measurement of Fair Value: The Company measures fair value as an exit price using the procedures described below for all assets and liabilities measured at fair value. When available, the Company uses unadjusted quoted market prices to measure fair value and classifies such items within Level 1. If quoted market prices are not available, fair value is based upon internally developed models that use, where possible, current market-based or independently-sourced market parameters such as interest rates and currency rates. Items valued using internally generated models are classified according to the lowest level input or value driver that is significant to the valuation. Thus, an item may be classified in Level 3 even though there may be inputs that are readily observable. If quoted market prices are not available, the valuation model used generally depends on the specific asset or liability being valued. The determination of fair value considers various factors including interest rate yield curves and time value underlying the financial instruments.

Earnings per Common Share: We have adopted the provisions of ASC 260, *Earning per Share*. ASC 260 requires presentation of both basic and diluted earnings per share (EPS) on the face of the income statement. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing Diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive.

Income Taxes: We have adopted ASC 740, *Accounting for Income Taxes.* Pursuant to ASC 740, we are required to compute tax asset benefits for net operating losses carried forward. The potential benefits of net operating losses have not been recognized in these financial statements because the Company cannot be assured it is more likely than not it will utilize the net operating losses carried forward in future years.

We must make certain estimates and judgments in determining income tax expense for financial statement purposes. These estimates and judgments occur in the calculation of certain tax assets and liabilities, which arise from differences in the timing of recognition of revenue and expense for tax and financial statement purposes.

Deferred tax assets and liabilities are determined based on the differences between financial reporting and the tax basis of assets and liabilities using the tax rates and laws in effect when the differences are expected to reverse. ASC 740 provides for the recognition of deferred tax assets if realization of such assets is more likely than not to occur. Realization of our net deferred tax assets is dependent upon our generating sufficient taxable income in future years in appropriate tax jurisdictions to realize benefit from the reversal of temporary differences and from net operating loss, or NOL, carry forwards. We have determined it more likely than not that these timing differences will not materialize and have provided a valuation allowance against substantially all of our net deferred tax asset. Management will continue to evaluate the ability to realize the deferred tax asset and its related valuation allowance. If our assessment of the deferred tax assets or the corresponding valuation allowance were to change, we would record the related adjustment to income during the period in which we make the determination. Our tax rate may also vary based on our results and the mix of income or loss in domestic and foreign tax jurisdictions in which we operate.

In addition, the calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax regulations. We recognize liabilities for anticipated tax audit issues in the U.S. and other tax jurisdictions based on our estimate of whether, and to the extent to which, additional taxes will be due. If we ultimately determine that payment of these amounts is unnecessary, we will reverse the liability and recognize a tax benefit during the period in which we determine that the liability is no longer necessary. We will record an additional charge in our provision for taxes in the period in which we determine that the recorded tax liability is less than we expect the ultimate assessment to be.

ASC 740 which requires recognition of estimated income taxes payable or refundable on income tax returns for the current year and for the estimated future tax effect attributable to temporary differences and carry-forwards. Measurement of deferred income tax is based on enacted tax laws including tax rates, with the measurement of deferred income tax assets being reduced by available tax benefits not expected to be realized

Uncertain Tax Positions

The Financial Accounting Standards Board issued Interpretation No. 48, "Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109, Accounting for Income Taxes" ("FIN No. 48") which was effective for the Company on January 1, 2007. FIN No. 48 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under FIN No. 48, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such position should be measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. FIN No. 48 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods and disclosure requirements.

Note 2 - Recent Accounting Pronouncements

In January 2010, the FASB issued an amendment to ASC 820, Fair Value Measurements and Disclosure, to require reporting entities to separately disclose the amounts and business rationale for significant transfers in and out of Level 1 and Level 2 fair value measurements and separately present information regarding purchase, sale, issuance, and settlement of Level 3 fair value measures on a gross basis. This standard, for which the Company is currently assessing the impact, is effective for interim and annual reporting periods beginning after December 15, 2009 with the exception of disclosures regarding the purchase, sale, issuance, and settlement of Level 3 fair value measures which are effective for fiscal years beginning after December 15, 2010.

In January 2010, the FASB issued an amendment to ASC 505, Equity, where entities that declare dividends to shareholders that may be paid in cash or shares at the election of the shareholders are considered to be a share issuance that is reflected prospectively in EPS, and is not accounted for as a stock dividend. This standard is effective for interim and annual periods ending on or after December 15, 2009 and is to be applied on a retrospective basis. The adoption of this standard is not expected to have a significant impact on the Company's financial statements.

In June 2009, the FASB issued guidance now codified as ASC 105, *Generally Accepted Accounting Principles* as the single source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with U.S. GAAP, aside from those issued by the SEC. ASC 105 does not change current U.S. GAAP, but is intended to simplify user access to all authoritative U.S. GAAP by providing all authoritative literature related to a particular topic in one place. The adoption of ASC 105 did not have a material impact on the Company's financial statements, but did eliminate references to pre-codification standards. Management does not anticipate that the adoption of these standards will have a material impact on the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION.

TelPac Industries, Inc.

Market Needs New Payment Solutions for Online Social Networks and Entertainment

In the ever-changing world of online entertainment, Massively Multiplayer Online Games (MMOG's) are games designed to be played online by hundreds of thousands of users. Playing online is part of the overall gaming experience for the majority of gamers. Online video gaming and social game networks transcends gender and age, although teens are especially likely to play games online. The universal virtual card has been designed for the players 12 to 22 years old which represent 41% of the total players. The MMOG market has reached 1 billion for the first time in 2008.

Market Fundamental

To effectively understand the potential of the TelPac Industries, Inc. it helps to review the Market analysis available. As of 2008, there was an estimated 1 Billion Dollars of money spent in the online game area which has doubled by 2011. A convenient and effective way to pay for these games is in demand and is evident by the growth of the industry.

6) Describe the Issuer's Business, Products and Services

Telpac Industries, Inc., formerly Superior Lube, Inc. (10/20/95-7/23/97) and Cornerstone Investment Marketing Corp. (10/13/92-10/20/95), a Nevada corporation, hereinafter referred to as the "Company", was incorporated in the State of Nevada on October 13, 1992. The company's operations consists of, an e-commerce solution developer and provider in the areas of social networks, online multiplayer video gaming, and provides payment solutions in online applications, mobile devices, stored value solutions in the Business to Business, Business to Consumer, and Person to Person markets. The primary SIC code is 5961 with a secondary SIC code of 7372. The fiscal year end date is December 31.

7) Describe the Issuer's Facilities

Telpac maintains a leased office in Beverly Hills, CA on an annual term.

8) Officers, Directors, and Control Persons

CEO and President:	David Teuma
CFO:	Bert Levesque
Director:	Edward Kim

Legal/Disciplinary History: None

Beneficial Shareholders:

David Teuma
9025 Wilshire Blvd. 5th Floor
Beverly Hills, CA 90211

Mr. Teuma has holdings of 24,050,000 shares of Common Stock (82.156 %).

9) Third Party Providers

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel
Name: Al West
Firm: Law offices of "West and Associates", South Bay Office
Address 1: 700 N. Pacific Coast Hwy, Suite 201
Address 2: Redondo Beach, CA 90277
Phone: 310-374-4141
Email: westandassociates@gmail.com

10) Issuer Certification

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles, but having the same responsibilities).

The certifications shall follow the format below:

I, David Teuma certify that:

1. I have reviewed this Annual Disclosure Statement of Telpac Industries, Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

September 30, 2016

/s/ David Teuma
David Teuma, President and CEO

/s/ Bert Levesque
Bert Levesque, CFO